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Changed to SecretBY AUTHORITY OF DirectorName TS Regarding Bulletin # 806Office OLCDate 31 July 80~~TOP SECRET~~WORLD SURVEYof main areas of concern

I. Eastern Europe

A. With some notable exceptions, Eastern European Communist leaders slavishly follow Moscow's lead and are working toward "achievement of socialism" at home.

1. In Poland, Gomulka retains his independence in certain fields like collectivization and church-state relations but expresses solidarity with Soviet position on all matters of foreign policy and issues affecting bloc as a whole.

2. Yugoslav "revisionism" is still prime target for attack by bloc leaders--especially at XXI Congress now in session--but relations between Belgrade and Moscow

on state level remain correct. Tito's current Asian tour is attempt to enhance his prestige with leaders of neutralist nations. *He is very much worried about his position and has privately asked us to stand firm on Berlin*

3. East Germany is most vulnerable of Satellites as result of Ulbricht's Stalinism, economic problems, Berlin as "window to West" etc.

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Yugoslavia as
chief power paying
to undermine unity
of the bloc*

II. Berlin crisis.

A. The Soviet initiative to convert Berlin into a Free City probably is designed:

1. To force negotiations on the future status of Germany on terms favorable to bloc, and,

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2. At very least to gain some degree of recognition of East German regime by West.

- B. Moscow's note of 10 January containing draft German peace treaty which would be signed by both Germanies is intended to exploit growing pressures, particularly in Britain and West Germany, to negotiate on German problem.
- C. Meanwhile, Communists have kept up their pressure on Berlin.
 - 1. The USSR has apparently transferred certain of its control functions in Berlin to East Germans and is endeavoring to force West to deal with East Germans over question of allied military personnel who stray illegally into East Germany.
- D. Khrushchev and other Soviet leaders have made it clear they intend to hand over to East Germans remaining Soviet occupation functions in Berlin if Western powers do not accept Soviet proposals for "Free Berlin."
- E. It appears unlikely this move would be carried out before six month deadline if negotiations meanwhile get under way.
- F. All West German political parties agree that Soviet proposal is unacceptable.
 - 1. Differences in opinion between Bonn government and opposition parties continue to exist, however, over how to negotiate with Moscow on Berlin, German reunification, and European security.

III. Geneva talks on nuclear test suspension have reached the showdown stage.

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- A. Soviet public charge that West is attempting to "torpedo" talks reflects concern over favorable public reaction to Western concession dropping disarmament link; private assurances that Soviet delegation neither wishes nor intends to break off negotiations contrasts with vitriolic tone of public posture.
 - 1. New Soviet proposal listing decisions to be subject to veto reflects attempt to force US to present long promised draft article on duration of agreement or, failing that, to underline Soviet charge of Western "blocking tactics."
 - B. Moscow's bid of 10 January to reconvene surprise attack talks is propaganda move intended to contrast favorably with Western desires to go slow, pending study of results of previous sessions, before setting new date.
- IV. Within Western Alliance, De Gaulle's rise to power is perhaps most notable development during past year.
- A. A strong government in Paris at last, but added problems in maintaining closest relations between US, UK and France.
 - 1. De Gaulle maintains France too long dominated by "Anglo-Saxons."
 - 2. He would make France spokesman for continental Europe and to this end is consolidating relations with Bonn.
 - 3. Also apparently pushing nuclear program to avoid being shut out of US, UK, USSR "nuclear club."

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VIII. Coming year certain to bring new evidence of accelerating nationalism in African territories south of the Sahara.

A. During past year this reflected most strikingly in emergence Guinea as independent state, transition all but one of other French territories to autonomous status under new De Gaulle regime. Also symbolized by December All African Peoples' Conference--first of its kind--in Accra, and seen in recent rioting in generally quiet Belgian Congo.

B. In coming months new political explosions appear likely in British East and Central Africa (especially in Kenya, maybe in Nyasaland and Uganda). In Somalia and West African territories slated for independence in 1960 (Nigeria, Cameroun, Togo) evolution should be orderly. Violence a real possibility, however, in Ivory Coast where a pro-French African leader is bucking prevailing nationalist currents. *Mali federation*

C. Throughout area developments will provide UAR and Communist Bloc with new opportunities for meddling.

IX. But the Middle East is the area most likely to provide us with crises in the coming year.

A. General instability continues to characterize this area as nationalist forces and ambitions^N clash with the traditional power structure.

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- B. Communist influence finds obvious opportunities in this situation, despite the claim of leading nationalists that they are opposed equally to Communism and imperialism.
1. Arab nationalists continue to see in bigger and better armaments one of the signs of independence, and the Sino-Soviet Bloc countries continue to cater to this desire. Bloc arms are now going to:
 - a. UAR - total amount now more than \$500 million (Egypt--350 million; Syria--150 million), included are modern jet fighters and bombers, radar equipment, heavy ground weapons, and submarines.
 - b. Iraq - Bloc's newest customer, has ordered reportedly about \$170 million worth, to include air and ground weapons. have already arrived in Basra.
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2. Genuine economic pressures provide other opportunities for the Communist bloc to spread its influence. Examples:
 - a. Sudan, where present military regime as well as pro-Western civilian predecessor feels compelled enter into barter deals with the bloc to unload large quantities of cotton.
 - b. Libya, where nation is so poor that politicians are sorely tempted to try any device or source which

promises to gain them more money. This attitude could

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